This system has been long and thoroughly tried in Denmark, and with great success. Each local community chooses its own tribunal, generally consisting of three members, selected with reference to their personal qualifications and high standing in public confidence. This tribunal has original jurisdiction of every complaint which might be the basis of a *civil* action. No civil action, therefore, can be heard in any regular Court until it has been first heard in the "Court of Conciliation," and failed to end in an agreement there.

The principals appear in person and tell their own stories, and necessary witnesses are heard; "no counsel are allowed." If the decision of the Court is accepted by both parties the judgment has the same legal effect as that of any ordinary Court; the dispute ends, and "lawyers' fees are saved."

During the first five years of the system, out of 116,483 cases brought before the "Courts of Conciliation," 74,742 were there settled; during the next five years 190,836 were heard and 121,970 settled, "and only one-half of the remainder were ever carried to actual litigation."

In the recent case of *Stone* v. *Graves*, administrator, the Supreme Court of Massachusetts rules that a man must pay, under certain circumstances, for being shaved on Sunday. The plaintiff shaved a man sixty-nine times, fifty-two times occurring on Sunday. The man died, and the barber sued the administrator to recover. The defendant asked the Court to rule that, because the shaving was done on Sunday, the plaintiff could not recover. Mr. Justice Field, in a short opinion, remarks, that "if Mr. Graves wished to be shaved on the Lord's day in his own house we cannot say, as matter of law, that it was not morally fit and proper that the plaintiff should shave him."

THE LAW SCHOOL.

IN THE MOOT COURT.

Coram KEENER, J.

Grant v. *Attrill.*

The defendant, holding a majority of the stock in a corporation, caused the directors to levy and threaten assessments for the avowed purpose of building works, but with the real purpose of enabling the defendant to get control of all the stock at a nominal price, the directors not intending to collect the assessment from the defendant. The plaintiff fearing that the assessment would be enforced and the proceeds not applied to the legitimate purposes of the corporation, sold his stock to the defendant, and now files this bill to have the transfer set aside. *Held*, That the secret motive of the directors did not make the assessment invalid; and that the fact that the plaintiff had been induced to make the transfer through mistrust of the management and of the way in which the proceeds of the assessment would be used, was not a sufficient ground for setting the transfer aside.

BILL in equity and demurrer thereto.

The bill is brought to set aside a transfer of stock and to have the defendant declared a trustee thereof for the plaintiff.

The bill alleges that the plaintiff subscribed for and was the owner of 200 shares of the capital stock of the "Crescent City Gas Light Co.,"

of the par value of $100 per share, on which he had paid fifty cents per share; that defendant, having control of a majority of the stock of said Company, caused assessments to be levied and threatened by the directors of said Company, for the avowed purpose of building works, but with the real purpose of enabling defendant to secure all the stock of said Company from the holders thereof at a nominal price, the directors not intending to collect said assessments from the defendant; that plaintiff, fearing that the assessments would be enforced and other assessments levied, and fearing that no part of the proceeds would be applied to the legitimate purposes of said Company, sold to defendant his said stock at $2.50 per share; that the assessments levied were not enforced; that no further assessments were levied, and that the stock is now of great value.

H. B. Cabot and *W. R. Trask* for the Plaintiff.

W. A. Hayes, Jr., and *W. C. Osborn* for the Defendant.

KEENER, J. The plaintiff asks to have a sale of stock made by him when called upon to pay assessments set aside, and the defendant declared a trustee thereof. He alleges as reasons why the Court should give him such relief: 1. That the assessments were levied, not to advance the interests of the Company, but at the dictation of the defendant to enable him to purchase the stock at a nominal price. 2. That the directors did not intend to collect the assessments from the defendant.

It does not appear from the allegations of the bill that the plaintiff knew of either of these facts when he sold his stock. That he sold his stock, not because of a knowledge of these facts, but because, owing to a want of confidence in the management of the directors, he preferred making a profit of two dollars per share to risking more money in the enterprise, is evident from the statement in the bill that "plaintiff, fearing that the assessments would be enforced and other assessments levied, and fearing that no part of the proceeds would be applied to the legitimate purposes of said Company, sold to defendant his said stock."

The plaintiff, however, contends that the existence of these facts rendered the assessments null and void; and that when he sold, in consequence of a representation that assessments had been levied, the sale was induced by a false representation, to which the defendant was a party. One must not confound the doing of an act with the motive prompting it. The directors in levying assessments merely did what they were empowered to do, namely, called upon the plaintiff to perform his contract. The secret motive, whether good or bad, inducing them to exercise the power could not affect the levy, or change the plaintiff's obligations under that levy. *Oglesby* v. *Attrill*, 105 U.S. 605 (semble). That the directors did not intend to collect the assessments from the defendant did not invalidate the assessments. Each stockholder has an interest in the subscription contract of every other stockholder that cannot be destroyed by an agreement or understanding such as the plaintiff alleges existed here between the directors and Attrill.

Notwithstanding the existence of such an agreement the defendant could have been compelled to pay the assessments. *Preston* v. *Grand Collier Dock Co.*, 11 Sim. 327; *Melvin* v. *Lamar Ins. Co.*, 80 Ill. 446.

In *Preston* v. *Grand Collier Dock Co.*, a bill filed by a stockholder to compel certain other stockholders to pay assessments, the directors having refused to collect the assessments on certain stock, was sustained on demurrer.

The Vice-Chancellor (Sir Lancelot Shadwell), in delivering his opinion, says, on page 347 :—

"But . . . my opinion is that there has been an error, which this Court will set right, namely, that when the directors thought to make the calls as they did, they stopped short of that which was their duty, and that they ought to have gone on to direct the same sums to be paid on each of these shares as had been directed to be paid upon the other shares. . . .

"Therefore, it is evident that in whatever manner it is to be done, this Court will rectify the error that has been made, and will take care that all the shareholders shall be put upon the same footing with respect to the liability to pay calls."

And knowledge of such an agreement at the time when the assessments were levied would not have justified the plaintiff in refusing to pay the same. *Dorman* v. *The Jacksonville Plank Road Co.*, 7 Fla. 265; *The Macon & Augusta R. R. Co.* v. *Vason*, 57 Ga. 314.

In *Macon & Augusta R. R. Co.* v. *Vason* the action was brought to collect an assessment. The defence set up was, that the directors had permitted other stockholders to pay their subscriptions in Confederate money, and that this act of the directors was illegal. The Court admitted the illegality, but held that it was no defence, saying:—

"We see no authority in the charter whereby the directors were empowered so to act. It seems to have been done *ultra vires* beyond the authority conferred, and the only trouble to the defence seems to be that no stockholder was released from legally called-for instalments by this illegal action of the board of directors, and that such instalments can still be collected from them in good money; or, at least, they can be made to contribute on a proper case made equally with this defendant."

The case, then, is reduced to this, the directors having called upon the stockholders for a payment of a portion of their stock subscription, the plaintiff, because of a want of confidence in the directors, sold his stock to the defendant. Under these circumstances he is not entitled to the relief prayed for.

The demurrer is sustained.

LECTURE NOTES.

OF THE LANGUAGE NECESSARY TO CREATE A TRUST. — (*From Professor Ames' Lectures.*)—Whether an instrument creates a trust is a question of fact in each case. The tendency now is to give the words their fair meaning, and many of the old cases would be decided differently at present.

If the distribution among the beneficiaries is left to the honor of the legatee or grantee there is no trust; he must be bound legally.

If property is left to "A, to pay debts," the residue, after the debts have been paid, will go to the testator's representatives; but, if the property is left "subject to the payment of debts," the residue goes to the trustee.

DEFINITION OF EVIDENCE. — (*From Prof. Thayer's Lectures.*)— The state of being clearly seen is the etymological meaning of the word. The French call those things evident which do not need proof, and